

CT Communications, Inc.  
1000 Progress Place, NE  
Post Office Box 227  
Concord, NC 28026-0227  
704-722-2500



June 30, 2005

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street S.W.  
Washington, D.C. 20554

RE: Pay Telephone Compensation – CC Docket No. 96-128  
CTC Long Distance Services, LLC System Audit Report

Dear Ms. Dortch:

In accordance with requirements found in Section 64.1320(d), CTC Long Distance Services, LLC. ("CTC LD") has undergone a system audit of its payphone tracking system by an independent third party auditor using methods approved by AICPA. A copy of the System Audit Report is enclosed. In accordance with Section 64.1320(b), CTC LD is providing a copy of the System Audit Report to the applicable payphone service providers and facilities- based long distance carriers. The name and contact information for the individual at CTC LD responsible for handling payphone compensation and disputes over payphone compensation is as follows:

Tracey Knepper  
CTC Long Distance Services, LLC  
PO Box 227  
Concord, NC 28026-0227  
704.722.2912  
[tknepper@emp.ctc.net](mailto:tknepper@emp.ctc.net)

If there are any questions, I can be reached at 704.722.2336.

Sincerely,

A handwritten signature in cursive script that reads 'Jerry L. Weikle'.

Jerry L. Weikle  
Manager – Regulatory Affairs

Attachments

Marlene H. Dortch

June 30, 2005

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cc:	APCC Services	Alltel Payphone
	Ameritech Payphone Services	DA Comp
	Cincinnati Bell	DNS
	FSH Communications	ETS
	Nevada Bell	MetTel Clearing Services
	Pacific Bell	Qwest
	Private Payphone Owners Network	SNET Payphone Services
	Sprint	Southwestern Bell
	TCG Payphones/AT&T Public Market	Verizon Public Communications



*Turlington and Company, L.L.P.*  
Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' REPORT**

Board of Directors  
CTC Long Distance Services, L.L.C.  
Concord, North Carolina

We have examined management's assertion, included in the accompanying letter, that CTC Long Distance Services, L.L.C. complied with the requirements of Federal Communications Commission (FCC) Docket No. 96-128 as of May 31, 2005. Management is responsible for CTC Long Distance Services, L.L.C.'s compliance with those requirements. Our responsibility is to express an opinion on management's assertion about CTC Long Distance Services, L.L.C.'s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about CTC Long Distance Services, L.L.C.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on CTC Long Distance Services, L.L.C.'s compliance with specified requirements.

In our opinion, management's assertion that CTC Long Distance Services, L.L.C. complied with the aforementioned requirements as of May 31, 2005 is fairly stated, in all material respects.

*TURLINGTON AND COMPANY, LLP*

Lexington, NC  
June 27, 2005

CT Communications, Inc.  
1000 Progress Place NE  
Post Office Box 227  
Concord, NC 28026-0227



Long  
Distance  
Services

June 14, 2005

Turlington and Company LLP  
Bill Farris  
509 E. Center St.  
Lexington, NC 27293-1697

RE: CTC Long Distance Services, LLC System Audit Report  
Pay Telephone Compensation – CC Docket No. 96-128

Dear Mr. Farris:

In accordance with the requirements found in Section 64.1320(d) of the Commission's Rules, CTC Long Distance Services, LLC ("CTC LD") makes the following assertions regarding its compliance with the payphone service provider ("PSP") compensation procedures:

1. CTC LD's procedures accurately track calls to completion.
2. CTC LD has a person responsible for tracking, compensating and resolving disputes concerning payphone-completed calls:
  - a. Tracey Knepper, CTC LD, PO Box 227, Concord, NC 28026, (704) 722-2912, [tknepper@emp.ctc.net](mailto:tknepper@emp.ctc.net)
  - b. CTC LD does not use a Clearinghouse to process payphone compensation.
3. CTC LD has effective data monitoring procedures:
  - a. CTC LD maintains a datawarehouse containing detailed call records, which can be utilized for payphone compensation.
    - i. Data is retained for 13 months in the Datawarehouse, after which the data is stored via tape that can be accessed as needed.
  - b. Reports are generated monthly and reviewed for accuracy.
4. CTC LD adheres to established protocols to ensure that any software, personnel or other network changes do not adversely affect its payphone call tracking ability.
5. CTC LD has created a compensable payphone file by matching call detail records against payphone identifiers.

6. CTC LD has procedures to incorporate call data into required reports. Tracked items include, but are not limited to:
  - a. Payphone number
  - b. Toll-Free or access code numbers
  - c. Carrier Code (CIC) of completing Carrier
  - d. Usage period of call
  - e. Payphone identifier
7. CTC LD has implemented procedures and controls needed to resolve disputes.
8. The independent third party auditor can test all critical controls and procedures to verify that errors are insubstantial.
9. CTC LD has adequate and effective business rules for implementing and paying payphone compensation including rules used to:
  - a. Identify calls originated from payphones:
    - i. The PSP or Clearinghouses, who own the payphone, provide Payphone numbers.
    - ii. CTC LD has modified its system reporting to include info digit information.
  - b. Identify compensable payphone calls:
    - i. Call records with a call duration greater than zero minutes are selected that contain an originating payphone number and that terminate to CTC LD long distance prepaid calling card, toll-free or access code numbers.
  - c. Identify incomplete or otherwise noncompensable calls:
    - i. Calls with a call duration of zero minutes are incomplete calls and are therefore noncompensable.
    - ii. Dial around 101-xxxx calls are unable to be made from payphones.

- d. Determine the identities of the PSP to which CTC LD owes compensation:
  - i. CTC LD reviews the notarized affidavits submitted each quarter attesting that a PSP is eligible for compensation and prepares its compensation accordingly.
  - ii. CTC LD needs the following information from the PSP in order to compensate them:
    - 1. Payphone numbers used by the PSP
    - 2. Current address and contact number for PSP
    - 3. Email address to whom quarterly data should be sent.

In summary, CTC LD has in place the appropriate procedures and tracking to abide by the FCC's Rules found in Section 64.1320.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron A. Marino". The signature is fluid and cursive, with the first name "Ron" being particularly prominent.

Ron A. Marino  
Vice President